

**METROPOLITAN DEVELOPMENT COMMISSION OF**

**MARION COUNTY, INDIANA**

**PRELIMINARY ECONOMIC REVITALIZATION AREA RESOLUTION**

**Resolution No. 2024-A-030**

**REAL PROPERTY TAX ABATEMENT**

**Holladay Property Services Midwest, Inc.**

130 East Washington Street

**WHEREAS, I.C. 6-1.1-12.1** allows a partial abatement of property taxes attributable to "redevelopment or rehabilitation" activities (hereinafter "Project") in "Economic Revitalization Areas"; and

**WHEREAS, I.C. 6-1.1-12.1** empowers the Metropolitan Development Commission (hereinafter "Commission") to designate Economic Revitalization Areas and determine the length of the abatement period, the annual abatement schedule during the term of the abatement and the abatement deduction limit for such property by following a procedure involving adoption of a preliminary resolution, provision of public notice, conducting of a public hearing, and adoption of a resolution confirming the preliminary resolution or a modified version of the preliminary resolution; and

**WHEREAS,** the Commission has established in Resolution No. 01-A-041, 2001, certain standards and procedures for the designation of Economic Revitalization Areas for the partial abatement of property taxes attributable to redevelopment or rehabilitation activities; and

**WHEREAS, I.C. 6-1.1-12.1** requires an applicant for Economic Revitalization Area designation to provide a statement of benefits and requires the Commission, before it makes a decision to designate such an area as an Economic Revitalization Area, to determine that the Project can be reasonably expected to yield the benefits identified in the statement of benefits and determine that the totality of benefits arising from the Project is sufficient to justify Economic Revitalization Area designation; and

**WHEREAS,** a business (hereinafter "Applicant") named in the attachment to this Resolution, which is incorporated herein by reference, has an ownership interest in the geographical area (hereinafter "Subject Real Estate") described in such attachment; and

**WHEREAS,** during a hearing at 1:00 p.m. on Wednesday, October 2, 2024, the Commission received evidence about whether the Subject Real Estate should be designated as an Economic Revitalization Area, and sufficient evidence was provided which established Assertion 1 and some evidence was provided which tended to establish Assertions 2, 3, 4, 5, and 6 stated on the attachment to this Resolution.

**NOW, THEREFORE, BE IT RESOLVED:**

1. The Subject Real Estate is preliminarily designated as an Economic Revitalization Area for an abatement period of ten (10) years with a proposed abatement schedule as shown on the attachment to this Preliminary Resolution. Final designation as an Economic Revitalization Area does not occur unless a resolution confirming this Preliminary Resolution is adopted in accordance with the governing statute.
2. Designation as an Economic Revitalization Area allows abatement of property taxes, for the period indicated, only relative to the Project and **the effectiveness of the designation can be terminated by action of the Commission if:**
  - A. Construction on the Subject Real Estate is not in substantial conformance with the Project description contained in a final resolution as supplemented by information in the application, site plans, and elevations; or
  - B. Construction of the Project is not initiated within one (1) year of the date a final resolution designating the Subject Real Estate as an Economic Revitalization Area is adopted.
3. The Economic Revitalization Area (hereinafter the “ERA”) designation terminates two (2) years after the date a final resolution is adopted however, relative to redevelopment or rehabilitation completed before the ERA period, this termination does not limit the period of time the Applicant or successor owner is entitled to receive an abatement of property taxes to a period of not less than ten (10) years.
4. This Economic Revitalization Area designation is limited to allowing the abatement of property taxes attributable to redevelopment or rehabilitation activities: **This designation does not allow abatement of property taxes for new manufacturing equipment pursuant to I.C. 6-1.1-12.1-4.5.**
5. Under the authority of I.C. 6-1.1-12.1, the Commission directs the Department of Metropolitan Development to survey projects receiving Economic Revitalization Area designation for compliance with job creation/retention figures, salaries associated with these figures and investment figures contained in the Applicant's approved statement of benefits form. The annual date of survey shall be contained in a final resolution designating the property as an Economic Revitalization Area.
6. The Commission fixes 1:00 p.m. on Wednesday, October 16, 2024, in the Public Assembly Room of the City-County Building for the public hearing of remonstrances and objections from persons interested in the Project and directs the publication of notice of public hearing in accordance with the governing statute. At this hearing, the Commission will take action relative to this Preliminary Resolution and determine whether the Subject Real Estate should be designated as an Economic Revitalization Area, fix the length of the abatement period at ten (10) years, and establish an abatement schedule.
7. A copy of this Resolution shall be filed with the Marion County Assessor.

METROPOLITAN DEVELOPMENT COMMISSION

\_\_\_\_\_  
John Dillon, III President

\_\_\_\_\_  
Date

Approved as to Legal Form  
and Adequacy this day  
September 2024.

*Sheila Kinney* 9/10/2024  
\_\_\_\_\_  
Sheila Kinney, Asst. Corp. Counsel  
Office of Corporation Counsel

**ATTACHMENT TO**  
**METROPOLITAN DEVELOPMENT COMMISSION RESOLUTION**  
**REAL PROPERTY TAX ABATEMENT**

**FACTUAL INFORMATION**

Applicant: Holladay Property Services Midwest,  
Inc.

Subject Real Estate: 130 East Washington Street

Center Township Parcel Number: 1076486

**PROJECT DESCRIPTION**

Holladay Property Services Midwest, Inc. will invest \$21,400,000.00 in real property for the development of a 236,288-office building conversion located at 130 East Washington Street into a residential development. This project will transform the existing office space into 180 residential units, including 12% affordable housing units. Specifically, 22 of the 180 units will be reserved for residents earning 60% of the area median income (AMI), adhering to the Indiana Housing and Community Development Authority (IHCDA) federal rent and income limits for a minimum 15-year period. The project will create 2 new jobs with an average wage of \$26.44 per hour.

**FACTUAL ASSERTIONS**

1. The Subject Real Estate:
  - A.  Is in a planned area which has a tax abatement policy as a part of its plan, or
  - B.  is in a planned area which has a tax abatement policy as part of its plan, but such plan does not contain a recommendation for Economic Revitalization Area designation and the recommended length of abatement, or
  - C.  is not located in a planned area with a tax abatement policy.
2.  The Subject Real Estate and the surrounding area are undesirable for normal development.
3. The project is allowed by zoning restrictions applicable to the subject real estate, or the necessary variance, rezoning or approval petitions are on file at the time of this application, and have final approval prior to a final hearing on this resolution.
  - A.  Current zoning allows project.

- B.  Appropriate petition is on file.
- C.  Final approval for variance, rezoning or approval petition has been granted.
4. A.  The application for Economic Revitalization Area designation was filed before a building permit was obtained or construction work was initiated on the property, or
- B.  substantial evidence has been provided supporting that work was started under the following appropriate exception:
5. A.  The subject real estate is governed by Metropolitan Development Commission Resolution No. 01-A-041, 2001 Real Property Tax Abatement Policy for Commercial Projects, which allows up to ten years of abatement for qualifying development, or
- B.  The project is eligible to receive ten (10) years tax abatement due to the following recognized exceptional circumstances which justify the longer deduction period:
6. The Subject Real Estate is:
- A.  Located outside of a previously established allocation area as defined in I.C. 36-7-15.1-26, or
- B.  located in an allocation area, but Applicant's statement of benefits has been submitted to the legislative body for its approval as required by I.C.6-1.1-12.1-2(k)

**PROPOSED ABATEMENT SCHEDULE**  
**REAL PROPERTY TAX ABATEMENT**  
**HOLLADAY PROPERTY SERVICES MIDWEST, INC.**

YEAR OF DEDUCTION	PERCENTAGE
1 <sup>st</sup>	95%
2 <sup>nd</sup>	95%
3 <sup>rd</sup>	95%
4 <sup>th</sup>	95%
5 <sup>th</sup>	95%
6 <sup>th</sup>	95%
7 <sup>th</sup>	95%
8 <sup>th</sup>	95%
9 <sup>th</sup>	95%
10 <sup>th</sup>	95%

**STAFF ANALYSIS**  
**REAL PROPERTY TAX ABATEMENT**

Area Surrounding Subject Real Estate: The site is located on the north side of East Washington Street between Delaware and Pennsylvania Streets.

Current Zoning: ..... CBD-1

New Jobs Created:..... Two at \$26.44 per hour.

Jobs Retained:..... None.

Estimated Cost of proposed project: \$21,400,000.00

**STAFF ANALYSIS**

Holladay Properties was founded in 1952 in South Bend, Indiana, originally as a small development that over the years expanded its operations and evolved into a full-scale, fully integrated real estate company known for its expertise in land development, design/build services, and property management. Holladay has established itself as a leader in the Midwest, particularly in Indianapolis. The company has worked on a variety of projects, from commercial and industrial spaces to residential communities, making a significant impact on the real estate landscape in the region.

One of Holladay's most recent projects is a \$21,400,000.00 investment for a proposed conversion of the former 236,288 square-foot Angi office building located at 130 East Washington Street into a residential development. This project will transform the existing office space into 180 residential units, including 12% affordable housing. Specifically, 22 of the 180 units will be reserved for residents earning 60% of the area median income (AMI), adhering to the Indiana Housing and Community Development Authority (IHCDA) federal program rent and income limits for a minimum 15-year period.

This project highlights Holladay's commitment to addressing the growing need for affordable housing while contributing to the urban revitalization of downtown Indianapolis. The project will create 2 new jobs with an average wage of \$26.44 per hour.

Staff believes this project does comply with the requirements of Metropolitan Development Commission Resolution No. 01-A-041, 2001 concerning the granting of property tax abatement.

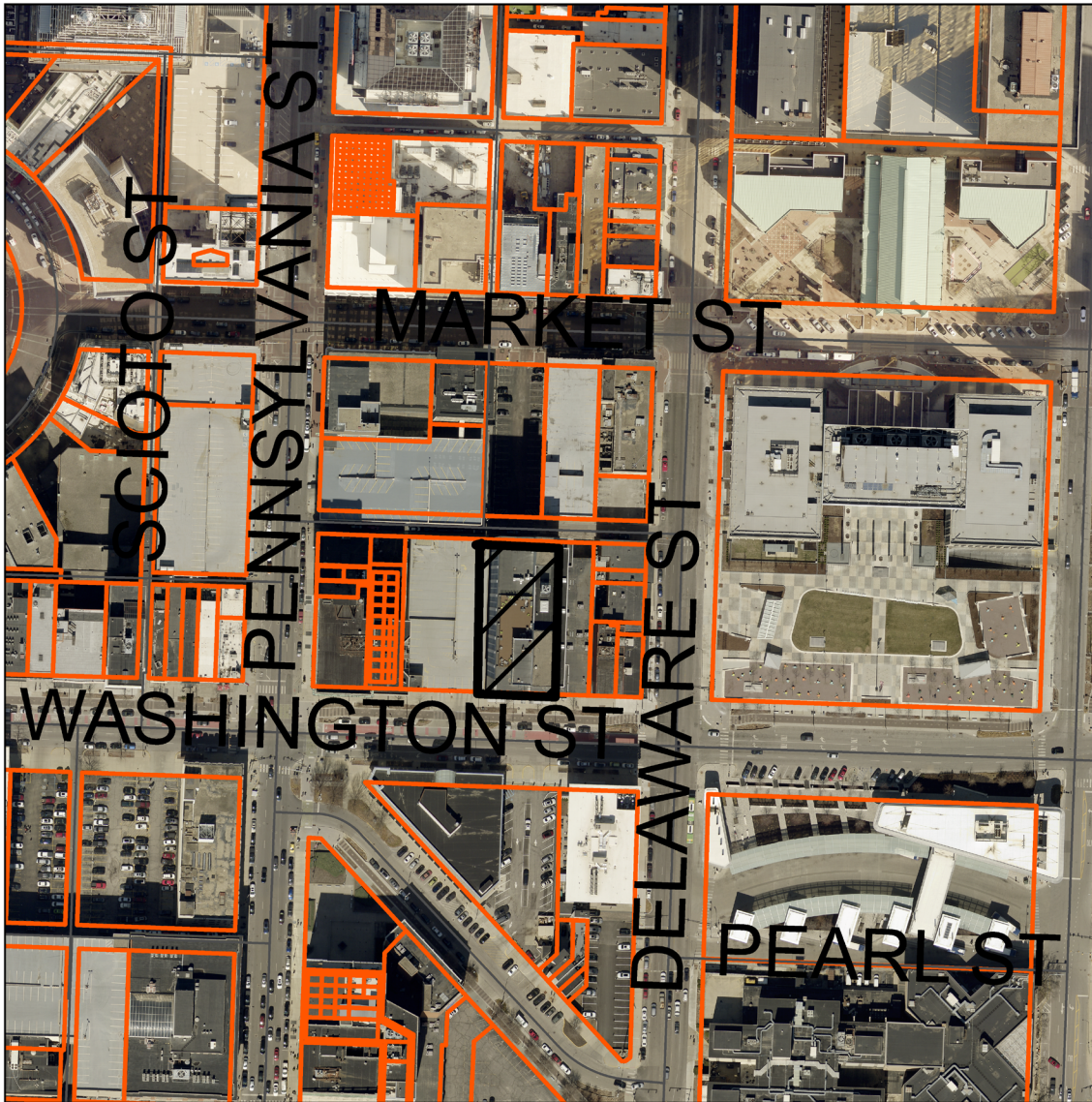
**RECOMMENDATION:** Staff recommends approval of ten (10) years real property tax abatement.

## **TOTALITY OF BENEFITS**

- PETITIONER:** Holladay Property Services Midwest, Inc.
- INVESTMENT:** Staff estimates that the proposed investment of \$21,400,000.00 should result in an increase to the tax base of approximately \$28,565,800.00 of assessed value. Staff estimates that over the ten (10) year real property tax abatement period the petitioner will realize savings of \$4,243,557.81 (an 62.6% savings). During the abatement period, the petitioner is expected to pay an estimated \$223,345.15 in real property taxes on the project. This is in addition to the current taxes being paid on the property in the amount of \$446,690.30 annually (pay 2024 taxes). After the tax abatement expires, the petitioner can be expected to pay an estimated \$677,580.78 in real property taxes annually on the new improvements, in addition to the annual taxes attributable to the current value of the property.
- EMPLOYMENT:** The petitioner estimates that this project will create at least two (2) positions at an average wage of \$26.44 per hour Staff finds these figures to be reasonable for a project of this nature.
- OTHER BENEFITS:** Staff believes this project is significant for Center Township in terms of new taxes and potential job creation and retention. Furthermore, staff believes the petitioner's project will lead to continued future investment and development in Marion County.
- STAFF COMMENT:** Staff believes the "Totality of Benefits" arising from the project are sufficient to justify the granting of the tax abatement.

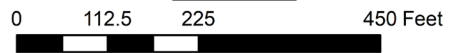


Holladay Property Services Midwest, Inc.  
130 East Washington Street



**Legend**

-  Parcels
-  Project Site



Produced by: DMD BATTLE Sept 9, 2024